

**Council on Postsecondary Education
Executive Committee
March 8, 2006**

**Analysis of the 2006-08
House Budget Recommendation
Comparison to Governor's Budget**

A summary of the changes between the Governor's budget and the House budget are as follows:

Operating Budget

Reductions to Governor's Budget:

	CPE	Governor	House	Difference
Agency Operations	\$14,176,000	\$11,989,700	\$10,989,700	\$1,000,000
Contract Spaces	4,056,100	4,056,100	3,416,200	639,900
College Level Learning Assessment	1,000,000	150,000	0	150,000
College Access Initiative	1,000,000	717,000	450,000	267,000
Academic Innovation & Collaboration	400,000	250,000	0	250,000
Collaborative Public Health Initiatives	500,000	150,000	0	150,000
P-16 Pipeline	750,000	350,000	225,000	125,000
Principal Leadership Institute	2,000,000	1,500,000	500,000	1,000,000

Increases to Governor's Budget:

- Information technology bond issue authorization and debt service for \$10 million bond issue (supports the Joint Budget Proposal with KDE and EPSB).
- Legislative Scholarship Program (\$4 million beginning in FY 2007).
- Rural Retention and Affordability Trust Fund (\$10 million in FY 2008) (funding flows through CPE to EKU, MoSU, and six KCTCS colleges).
- \$10 million in benchmark funding (FY 2008).
- \$23 million for institutional business plans (KSU, MuSU, NKU, UK, UofL, and WKU).
- Increase in recurring funds in FY 2008 for Regional Stewardship of \$1.2 million.
- Various earmarked appropriations to selected institutions.

Capital Budget

1. Total State Bond Authority and Debt Service

- House provides \$503.6 million in state bonds compared to \$507.1 million recommended by the Council.
- House provides ½ year of debt service \$23.9 million (36 projects) compared to \$55.6 million recommended by the Council (full-year debt service for 22 projects).

2. Projects Recommended by the Council

- Six of the 22 projects recommended by the Council are not included in the House Substitute (HB 380).
- Fourteen of the 36 projects included in HB 380 were not recommended by the Council.